

Hearing Date:  
Objection Deadline:

May 25, 2011 at 10:00 a.m.  
May 18, 2011 at 4:00 p.m.

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re

VALUE CITY HOLDINGS, INC., et al.,

Debtors.

} Chapter 11 Cases

} Case No. 08-14197 (JMP)

} (Jointly Administered)

**JOINDER OF JOSIE ACCESSORIES, INC., SUED AS ELRENE MFG. CO.,  
TO THE LIMITED OBJECTION FILED BY CAROL FOR EVA GRAHAM, INC.  
TO DEBTORS' MOTION ESTABLISHING MEDIATION PROCEDURES**

Josie Accessories, Inc., sued as Elrene Mfg. Co. ("Elrene"), hereby joins in the Limited Objection to Debtors' motion for an order establishing mediation proceedings ("Motion"), filed on May 18, 2011 [Docket No. 1513] ("Limited Objection"), and respectfully states as follows:

**BASIS FOR JOINDER AND BACKGROUND**

1. On October 26, 2008, Debtor filed a voluntary petition for reorganization under chapter 11 of Title 11 of the United States Bankruptcy Code ("Bankruptcy Code").

2. On or about November 23, 2009, Value City Department Stores, LLC ("Value City"), one of the debtors, filed an adversary proceeding (Adv. Pro. No. 10-03943-JMP) ("Preference Action") and complaint against Elrene seeking the return of alleged preferential transfers totalling \$137,462.61.

3. On January 6, 2011, Elrene timely served and filed its answer to the complaint with affirmative defenses [Docket No. 4] ("Answer").

4. On May 10, 2011, Debtors filed their Motion seeking an order that requires,

among other things, defendants of all adversary proceedings (collectively, the “Preference Defendants”), including Elrene, to submit to non-binding mediation and pay half (1/2) the cost of the mediator without providing any input into the choice of mediator or the timing and location of the actual mediation.

5. Elrene joins in the Limited Objection for all the reasons set forth therein.

6. Elrene reserves all of its rights, claims and defenses including, without limitation, the right to discovery in connection with the Motion.

WHEREFORE, Elrene hereby joins in the relief sought in the Limited Objection and requests the Court deny the Motion with respect to the Elrene and grant such other relief as is just and proper.

Dated: New York, New York  
May 18, 2011

**WELTMAN & MOSKOWITZ, LLP**  
*Attorneys for Josie Accessories Inc.*

By: 

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